

Leveraging expertise in R&D and human capital to contribute to value creation by diverse individuals

Miho Hanafusa
Member of the Board (Outside Director)

When I first visited the company, what struck me most was how cheerfully and sincerely the employees approached their work. During my plant tour, I was able to experience firsthand the sincere commitment to manufacturing rooted in the production floor and the aspiration to continuously pursue quality. Behind the competitive products and services, strong businesses, and the high operating income ratio, lie superior technical capabilities that cannot be replicated overnight and strong relationships of trust with our customers. I also deeply resonated with how the Niterra Way, which underpins these strengths, serves as the source of autonomous action for every employee.

For many years, I have been involved in R&D and the management and have led the launching of new businesses and talent development. In doing so, while I have felt the difficulty of translating superior technology into social implementation, I have also realized that co-creation that incorporates external expertise is a powerful driver for innovation. To grow the seeds of technology into viable businesses, it is important not to rely solely on an in-house approach but to expand external touchpoints and consider from an early stage who to partner with and what kind of team is needed for realization. To ensure the company's further growth, I believe it is essential to maintain a balance across businesses, aiming for stable growth in current businesses while appropriately allocating management resources to new businesses that leverage our core assets.

Furthermore, based on my experience in policy formulation for promoting women's empowerment at government agencies and in promoting sustainability at the Japanese network of UN agencies, I place great importance on the active involvement of diverse talent, which is the core of human capital management. Even in today's era where advanced technologies such as AI are becoming widespread, people remain the ultimate source of differentiation. I believe it is important to evolve a culture where each individual thinks autonomously and proactively, and through frank and open communication, creates new value not through simple addition, but through multiplication. As a prerequisite, it is essential to establish an appropriate evaluation system where diverse personalities can leverage their strengths, as well as an environment that protects the physical and mental health and safety that form the foundation of the manufacturing industry.

As an Outside Director, I will leverage the expertise I have cultivated in both operations and management to connect the company's strengths to its next stage of growth. I will listen sincerely to our stakeholders, especially valuing the thoughts of individual employees and insights from the production floor, contributing to the creation of an organization where diverse individuals can thrive, demonstrate their strengths, drive transformation for the next generation, take on challenges, and continuously generate new value.



Supporting flexible challenges toward transformation through appropriate risk management and a global perspective

Kohei Kodama
Member of the Board (Outside Director),
Audit and Supervisory Committee Member

As a company that boasts the global top share in core products such as spark plugs, I feel we are a company that can be proud of its standing within the Japanese manufacturing industry on a global stage. On the other hand, against a backdrop of environmental issues and structural changes in the industry, we are also at a critical juncture where transforming our conventional business model has become indispensable. Precisely because our current performance is strong, we must maintain a healthy sense of urgency and steadily develop the next pillars of our growth.

For Japanese companies to truly compete in the global market, it is essential to move beyond a Japanese-style export-oriented mindset, understand world-standard perspectives and governance, and maintain an attitude of bridging the gap with the current state. As an Outside Director, I wish to leverage my two backgrounds to contribute to the company's transformation.

The first is my global-standard perspective cultivated through 14 years of overseas assignments, in addition to my extensive practical experience in legal affairs, risk management, and M&A at operating companies. For the company to reorganize its business portfolio and challenge itself in wider markets, corporate functions must also move beyond being merely defensive administrative departments. It is important to establish a form of legal and risk management that directly contributes to the business by actively utilizing technologies such as AI and leading diverse global talent. Utilizing my expertise from participating in the formulation of government guidelines, I will constructively support the management team's challenges as an Audit and Supervisory Committee member while appropriately controlling risks.

The second is my experience in Silicon Valley, USA, where I supported nearly 500 startups as a pro bono* consultant. I have witnessed the process of unconventional ideas growing into businesses, as well as the reality of many companies withdrawing before achieving their goals. What successful companies have in common is the ability to flexibly change their form, like an amoeba, to adapt to the environment. Clinging to past successes can lead to missing out on future growth opportunities.

Even if the company transforms its business model and evolves into a different corporate entity from what it is today, we can become a company that survives for another 100 years by continuing flexible self-transformation. I wish to be a part of that journey. To achieve this, I will provide highly effective recommendations and dedicate myself to the sustainable enhancement of the company's corporate value.

*Pro bono: Social contribution activities conducted by utilizing professional expertise and skills.

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